

Exhibit 30

SECURITY

HUMAN TRAFFICKING IN THE PHILIPPINES: A BLEMISH ON ECONOMIC GROWTH

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MAY 20, 2014

Economic growth in the Philippines is among the highest in Asia, with 5.9 percent in the second quarter of 2012. Unfortunately though, the bulk of the financial benefits associated with this growth continue to escape the majority of Filipinos living in poverty. According to the most recent estimates from The World

Bank, 26.5 percent of the Filipino population is living in poverty. This high rate of economic disparity remains one of the largest factors driving many Filipinos into human trafficking situations. Despite recent economic advancements, the Philippines continue to be one of the largest source countries for sex trafficking and forced labor victims around the world.

Human trafficking is a modern form of slavery, which involves the “recruitment, transportation, transfer, harboring or receipt of persons, by means of threat, use of force or other forms of coercion, for the purpose of exploitation” according to the United Nations Office on Drugs and Crime. According to the 2013 Trafficking in Persons (TIP) Report, Filipino human trafficking victims have been identified in over 37 countries across five continents. Absence of economic opportunities in the Philippines, gender role socialization, and family dynamics make Filipinos especially vulnerable to human trafficking crimes. However, reliable statistics on the number of Filipino human trafficking victims are currently unavailable.

In analyzing the types of human trafficking crimes experienced by Filipino victims, we find that false financial promises are often used to lure Filipino children, men, and women into dangerous human trafficking situations in the Philippines and internationally. Within the country, sex tourists come from Northeast Asia, Australia, Europe, and North America to engage in sexual activity with children. Child prostitution in the Philippines primarily takes place in five types of places: 1) ‘casas,’ a term used to describe brothels; 2) bars with sex shows; 3) restaurants and karaoke bars; 4) in the streets; and 5) in shopping malls. NGO organizations suggest that there may be 60,000 to 100,000 children forced into prostitution in the Philippines.

The economic disparity between rich and poor in the Philippines also facilitates the opportunity for men to be trafficked abroad into situations involving forced labor or debt bondage “in factories, at construction sites, on fishing vessels, on agricultural plantations, and in the shipping industry”, according to the 2013 TIP Report. Women are even more likely to befall human trafficking victimization, which most frequently involves domestic service or sexual slavery. In recent years, an increasing number of Filipinos are being trafficked to countries in the Middle East, including Afghanistan, Iraq, Saudi Arabia, United Arab Emirates, and Kuwait.

Although the gross national income in the Philippines has doubled since 2004, it remains relatively low compared to other countries, with \$2,500 per capita in 2012. Hierarchical trafficking organizations in and outside the Philippines take advantage of the lack of economic opportunity within the region. These actors include investors, recruiters, transporters, corrupt public officials or protectors, informers, guides and crew members, enforcers, supporting personnel and specialists, debt collectors and money-movers.

Currently, there are a number of laws and international treaties that attempt to address human trafficking in the Philippines. For example, the 2003 Anti-Trafficking in Persons Act outlines penalties for human trafficking that are categorized by the U.S. State Department as being “sufficiently stringent and commensurate with those prescribed for other serious crimes, such as rape”. However, during 2012 only 227 cases were filed with the Department of Justice for potential prosecution, which led to a mere 24

convictions of human traffickers in the Philippines, a decrease from the 29 traffickers convicted during 2011. This data suggests that although the Philippine government criminally prohibits sex and labor trafficking through its laws, the crime is rarely successfully prosecuted. Some explanations for this trend of under enforcement include lack of financial resources, informal case processing, lack of victim cooperation, time lapse between charge and trial, and lack of jurisdictional familiarity with the new and changing trafficking laws.

Over time, the Philippines have maintained a ranking of Tier 2 or Tier 2 Watch List on the State Department scale. This ranking means that although the Philippines have not fully complied with the Trafficking Victims Protection Act (TVPA) minimum standards, the country is making significant efforts to bring themselves into compliance. However, for 2009 and 2010, the country was on the Tier 2 Watch List. During those years, the U.S. State Department reported that the “number of victims of severe forms of trafficking was very significant or significantly increasing; there was a failure to provide evidence of increasing efforts to combat severe forms of human trafficking; and/or the determination that the Philippines was making significant efforts to bring the country into compliance with minimum standards was based on commitments by the country to take additional future steps over the next year”.

The Philippines continues to make improvements to their prosecution of human trafficking cases, protection of human trafficking victims, and prevention of future human trafficking crimes. Although the Philippine government only landed 24 convictions of human traffickers in 2012, they used resources to assist 2,569 victims by providing skills training, shelter, medical services, financial, and legal assistance. In that same year, at least 223 Filipino children were rescued from the worst forms of child labor, including sex trafficking. Additionally, pre-employment orientation seminars provided to Filipino overseas workers may have potentially prevented an unknown number of international human trafficking victimizations involving Filipino citizens.

Despite the improvements to the rates of human trafficking prosecution, victim protection, and potential crime prevention, it is important to understand that these statistics are not necessarily significant or proportional to the country’s economic growth or the amount of money allocated to combat human trafficking locally. The Office of the President of the Philippines has touted the Philippine economic growth as “outpacing its Southeast Asian Neighbors and far surpassing the IMF growth forecast of 3.5 percent”. However, the rate of poverty in the Philippines has remained relatively consistent, hovering at or above 25 percent. Furthermore, there is little data to suggest that the improvements to anti-trafficking efforts are proportional to the allocated resources. For example, the Inter-Agency Council Against Trafficking (IACAT) receives over \$1 million per year to implement anti-trafficking laws and policies at the national, regional, and provincial levels. Yet, these resources netted only 24 human trafficking convictions in 2012.

Ultimately, we know that economic disparity is a driving force toward human trafficking. Given the recent economic growth in the Philippines, more research is warranted to evaluate the efficacy and cost effectiveness of anti-trafficking efforts.

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